

# Schroders

## Schroder Real Estate

April 2018

Sustainability Policy 2018



# Schroder Real Estate

## Sustainability Policy

April 2018

---

Schroder Real Estate is committed to acting in a responsible way for the good of clients, employees and the wider community in order to secure a long term sustainable future. We believe that a sustainable investment programme should deliver enhanced returns to investors, improved business performance to tenants and tangible benefits to local communities and wider society.

Our priority is to maximise returns for our clients in a manner consistent with our funds' risk profiles. To do this we must anticipate and understand the impact of sustainability issues and trends to develop investment opportunities, resilience and reduce exposure to material risks.

For Schroder Real Estate sustainability, which includes Environmental Social and Governance (ESG) matters, is embedded within our investment process and applies to all aspects of real estate investment including acquisition due diligence, asset management, property management provided by third parties, refurbishments and developments.

This Policy applies to Schroder Real Estate which incorporates Direct Real Estate, Global Cities Real Estate and Real Estate Capital Partners ("SReCAP"). The approach taken by the Global Cities and SReCAP teams reflects the principles of this Policy although the execution of approach to companies and funds will differ from the Direct team's approach to buildings.

## Commitments

---

In order to fulfil the aims of our Sustainable Investment approach, Schroder Real Estate has defined the following commitments:

- We are committed to continual improvement and protection of the environment, including prevention of pollution, sustainable resource use, and climate change mitigation and adaptation, through application of best practice
- To mitigate the impacts of climate change, our long-term efficiency targets will be aligned with ratified EU targets
- We will maintain an environmental management system (EMS), aligned with the international standard ISO 14001 (2015), to manage the deliverable actions derived from our Sustainable Investment strategy
- Our employees, responsible for governing our commitments and ensuring they are implemented, will undertake sustainability focused training to ensure they are competent to deliver our sustainability programme and all investment staff have sustainability objectives defined and tracked as part of formal annual performance review processes
- We will meet and, where appropriate, exceed legislative and other requirements which include corporate commitments, investor/partner and other stakeholder expectations, and pledges made to meet industry best practice standards
- We shall support compliance with internationally recognised human rights across our business activities
- We shall disclose sustainability performance for funds in line with

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>– industry guidelines, where appropriate</li> <li>– We shall continuously review the effectiveness of our Sustainable Investment Strategy to ensure it</li> </ul> | <p>delivers asset and portfolio performance commensurate with our investment objectives</p> |
|--|---|

## This Policy

---

<p>This Policy will be reviewed annually and is actively communicated with our internal stakeholders and key suppliers. This Policy has been approved by the</p>	<p>SREIM Investment Committees. Our employees and supply chain partners are responsible for implementation of this Policy.</p>
--	--

## Risk associated with Real Estate investing

---

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>– The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested</li> <li>– Investments in real estate are relatively illiquid and more difficult</li> </ul> | <p>to realise than equities or bonds. Yields may vary and are not guaranteed.</p> <ul style="list-style-type: none"> <li>– The value of real estate is a matter of a value's opinion rather than fact</li> </ul> |
|---|--|



EST. 1804

## Schroder Real Estate Investment Management

31 Gresham Street, London EC2V 7QA, United Kingdom

Tel: + 44(0) 20 7658 6000

 [schroders.com](https://www.schroders.com)  
 @Schroders

### **Important Information. For Professional Investors only.**

The views and opinions contained herein are those Schroder Real Estate Investment Management Limited, and may not necessarily represent views expressed or reflected in other communications, strategies or funds.

This information is not an offer, solicitation or recommendation to buy or sell any financial instrument or to adopt any investment strategy. Information herein is believed to be reliable but we do not warrant its completeness or accuracy. Any data has been sourced by us and is provided without any warranties of any kind. It should be independently verified before further publication or use. Third party data is owned or licenced by the data provider and may not be reproduced, extracted or used for any other purpose without the data provider's consent.

Neither we, nor the data provider, will have any liability in connection with the third party data. The material is not intended to provide, and should not be relied on for accounting, legal or tax advice. Reliance should not be placed on any views or information in the material when taking individual investment and/or strategic decisions. No responsibility can be accepted for error of fact or opinion. Any references to securities, sectors, regions and/or countries are for illustrative purposes only

The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of any overseas investments to rise or fall. Past Performance is not a guide to future performance and may not be repeated.

Issued by Schroder Real Estate Investment Management Limited, 31 Gresham Street, London EC2V 7QA. Registration No. 1188240 England. Authorised and regulated by the Financial Conduct Authority